

**STATE OF NEW MEXICO ENVIRONMENT DEPARTMENT
STORAGE TANK COMMITTEE MEETING
Toney Anaya Building
Rio Grande Room
2600 Cerrillos Road
Santa Fe, NM 87505**

April 2010 Minutes

The meeting of the Storage Tank Committee was called to order by Mr. Jim Norton, Chair, at 10:15 a.m.

Members Present:

Jim Norton, Chair
Ryan Briggs, STC Member
Joseph Chavarria, STC Member
Ruben Baca, STC Member
Ronnie Pynes, STC Member
Paul Aguilar, STC Member

Others:

Jim Davis, NMED/PSTB
Jennifer Pruett, NMED/PSTB
Joyce Shearer, NMED/PSTB
Marlene Cordova, NMED/PSTB
Kalvin Martin, NMED/PSTB

Members Absent:

Lorena Goerger, NMED/PSTB
Leann Chavez, NMED/EPD
CT Irwin, CDM
Susan von Gonten, NMED/PSTB
John Kovacs, NMED/PSTB
John Casey, Basin Engineering
Bill Brown, Brown Environmental

Item #1 ROLL CALL

Roll call was taken and it was determined a quorum was present.

Item #2 APPROVAL OF THE AGENDA

No changes were made to the agenda.

A motion was called; Mr. Aguilar moved to approve the agenda Mr. Briggs seconded.
Motion passed unanimously.

Item #3 APPROVAL OF JANUARY 2010 MINUTES

The Chair asked if there were any changes in the minutes.

A rounding error was found on item #6; it was stated as 5100 total tanks and should have been 5000.

The change was noted, Mr. Pynes moved to approve the January minutes once amended, seconded by Mr. Aguilar, motion passed unanimously.

Item #4 CORRECTIVE ACTION FUND UPDATE

Ms. Marlene Cordova, Finance Manager took the Committee Members through the months of December thru February.

December 2009

Beginning Cash	\$ 13,200,210	Reserve	\$ 1,000,000
Loading Fee	1,648,940	Work plan liabilities	9,627,155
Payment	(705,974)	Un-obligated	2,015,505
Operating Transfer	(1,500,517)		
Ending Cash	\$ 12,642,660		

Ms. Cordova reminded the Committee that the Operating Transfer for December and January were taken out in December.

The Chair stated that due to the doubling up on operating transfer draws it does sometimes cause an accounting issue when this is done. So he stated that he has instructed Mr. Davis to talk with ASD to correct this and make sure that, only one operating transfer draw is taken on a monthly basis from now on.

January 2010

Beginning Cash	\$ 12,642,660	Reserve	\$ 1,000,000
Loading Fee	\$ 1,411,471	Work plan liabilities	8,918,094
Payment	(986,315)	Un-obligated	3,149,723
Operating Transfer	(0)		
Ending Cash	\$ 13,067,817		

February 2010

Beginning Cash	\$ 13,067,817	Reserve	\$ 1,000,000
Loading Fee	\$ 1,487,929	Work plan liabilities	7,944,928
Payment	(1,728,476)	Un-obligated	2,964,152
Operating Transfer	(1,500,517)		
Due from Fund 064	\$ 582,328		
Ending Cash	\$ 11,909,081		

Ms. Cordova reminded the Committee that the operating transfer for February and March were taken out in February. The Chair wanted more clarification on the \$582,328.00 from expenditures that did not materialize. Ms. Cordova explained that this was from House Bill 19 and the

January 2010

<u>ARRA WorkPlans</u>	
11	\$ 530,325.31
Total	\$ 530,325.31
GRAND TOTAL	<u>\$530,325.31</u>

Ms. Shearer reported that *January* workplan approvals for (RP) included Love's Truck Stops; they have been doing upgrades to their storage tank systems and have discovered leaks at two facilities. Site assessments were approved for Sav-O-Mat in Alamogordo and Amigo Mart in Bloomfield. Other costs include operation and maintenance for Fina Truck Stop in Albuquerque and operating and maintenance costs for On Sale Tire Store in Deming. The Bureau received stimulus money from the Federal Government American Recovery Reinvestment Act (ARRA). The Bureau started work on a number of State Lead (SL) sites with these funds. In addition to monitoring several sites, the Bureau was able to plug wells at the Hatch Brothers Motor Company Site in Hatch with plans to NFA. These funds were also used to upgraded the soil-vapor extraction system and provide operation and maintenance costs for Yale Auto site in Albuquerque. The H & M Service Station in Estancia is an old site. The Bureau approved costs for the assessment of this site in order to determine whether this site needs additional work.

For regular State Lead (SL) remediation, workplan approvals included costs to plug and abandon a well at the Sandoval Dodge in Las Cruces which will result in a NFA. Also, costs to plug and abandon wells at the Big Chief Fina site in Albuquerque were approved. This is Release ID number 5, which was the fifth site on the Bureaus books at the beginning of the Program. The Bureau has since issued a NFA for this site.

February 2010

<u>Responsible Party</u>		<u>State Lead</u>	
20	\$ 737,901.88	1	\$104,594.97
<u>Addendums</u>		<u>Addendums</u>	
2	\$ 9.04	2	\$ 6.63
Total	\$ 737,910.92	Total	\$ 104,601.60
GRAND TOTAL	<u>\$842,512.52</u>		

February 2010

<u>Federal Grant</u>		<u>ARRA WorkPlan</u>	
1	\$ 50,000.00	9	\$113,123.97
Total	\$ 50,000.00	Total	\$ 113,123.97

Ms. Shearer reported that RP workplan approvals for *February* include costs for operation and maintenance for remediation systems at the Midtown Chevron in Las Cruces, the Lowell/Jennings site in Alamogordo, and Ryder Truck Rental site in Albuquerque. Also costs were

approved for investigation for a new release at Love's # 257 in Milan. This release has a couple feet in product in wells over an area exceeding two and a half acres. The Bureau will start with product recovery immediately for this site. The Bureau estimates the leak started last September. The leak was caused because of a separation in piping. Mr. Davis stated he will get a copy of the most recent inspection on the facility and give a description of the system used there, for the next meeting.

For State Lead (SL) remediation, activities included costs at the Santa Fe County Judicial Complex construction site for installation of a jet-grouted barrier wall below the surface. to try to maintain pre-excavation conditions in the area around the construction site. The barrier wall was installed so remediation could continue while construction is on going without inadvertently spreading petroleum contamination to deeper levels of the aquifer. Costs listed in February are for additional work at this site that are required for installation of this wall.

Ms. Shearer stated that the Bureau moved costs approved for the Marvin Burrows site from the CAF to the Bureau's EPA Lust Trust Fund grant. The Bureau did not approve any additional work they just moved money around so it would be paid by the Federal Grant.

With the arrival of the ARRA stimulus funds, the Bureau approved work on a number of State Lead (SL) sites. These approvals are for monitoring and investigation costs for old state lead sites that required attention.

Mr. Pynes asked a question regarding the Santa Fe County Judicial Complex he wanted to know if any threatened receptors nearby. Ms. Shearer stated that there is the Santa Fe River in close proximity to this location.

Mr. Baca wanted to know why the Stimulus money was not used for cleanup at the Santa Fe County Judicial Complex. Mr. Davis responded that use of the ARRA money is very tightly defined, and the Bureau is using it on sites where there is no potential for cost recovery.

Mr. Davis stated that he does not think that the State has given up on cost recovery for the Santa Fe County Judicial Complex because it is still a developing situation.

Mr. Baca has asked for a list in the amounts of cost recovery for the next meeting. Mr. Davis stated that the Bureau does not have an ongoing list. A discussion followed concerning individual sites for cost recovery.

Mr. Davis stated that he would like to discuss the issue of cost recovery in Executive Session. Mr. Davis will look into this and update the Committee if this can be done.

Mr. Davis stated that the Bureau started reporting the ARRA contracts in January. This is because this is when the contracts finally went live. It took the Bureau an enormous amount of time to get these contracts signed. A typical State Lead contract is about ten pages, these were about thirty five pages, twenty five of which EPA insist on inserting. Mr. Davis stated that ARRA money will be audited so all paperwork needs to be in place.

Item # 6 PREVENTION AND INSPECTION UPDATE

Mr. Kalvin Martin, Prevention Inspection Program Manager, updated the Committee on his Program. Mr. Martin summarized the compliance inspections that were performed between October 2009 and March 2010 as follows. The Bureau has inspected 417 underground storage

tank facilities. For the same time period the Bureau has inspected 175 above ground storage tank facilities and another 270 reinspections for facilities to see if corrections were made that were noted at the first compliance inspections. Performance measures reported to EPA reported that 67% of all the UST facilities that were inspected are in compliance with significant operational compliance measures for release detection. 72% of UST facilities were in compliance for release prevention.

Mr. Martin spoke about upcoming above storage tank upgrades that will happen in July 2011. Upgrades will consist of installation of secondary containment for above ground storage tanks. Also installation for double walled piping of any facility that had single walled piping, replacement or closure of USTs used as above ground tanks and installation of other equipment like emergency vents. The Bureau inspects approximately 640 above ground storage tanks facilities. Most of the facilities that will need upgrades are in the southeastern part of the State.

Also reported was that Mr. Martin and Ms. Pruett attended an EPA Region 6 meeting in Dallas. Attendees at the EPA meeting included representatives for the prevention and inspection programs for all States in Region 6. A discussion followed regarding what other tank inspection methods are being used in the other States. .

Mr. Pynes asked if the State Fire Marshal will be involved in any way with the upgrades that are going to be performed to the AST facilities.

Mr. Briggs stated there are some compliance issues in regards to setbacks that are handled on business inspections in Farmington, as far as Statewide he did not know how this was handled.

Ms. Pruett stated that in Santa Fe there is an office at the State level that coordinates very closely with CID when ever construction involves a tank or any kind of fire issue they have to be stamped and approved by the State office before they can proceed with a CID. A discussion followed about all that is involved in getting the right permits for these facility upgrades.

Mr. Chavarria wanted to know if the Program inspectors have laptops in the field like other States to step up their inspection process.

Mr. Martin replied that no, inspectors are not using laptops due to the current Administrations Policies. The Program will continue to push for performing electronic inspections in the next Administration.

Item # 7 REGULATION PROCESS UPDATE

Ms. Jennifer Pruett, Tank Fee Manager gave an update on her Program. She stated that the Petroleum Storage Tank Definitions Changes Act did pass the Legislature and was signed by the Governor so was HB 81 and Senate Bill 61 that were identical to last year's proposed bills. The Bureau would like to thank Mr. Ruben Baca and the Petroleum Marketers Association and a lot of other lobbyist for their support on the bill. The Bureau would also like to thank Senator Leavell and Senator Heaton for all their support on this Bill. The three major features of the bill are that it adds authority for the Bureau to impose delivery prohibition which is required by the 2005 Energy Policy Act. The Bill also eliminates the exemption for emergency generator tanks which is a conflict with federal law. The Bureau is now developing the process to implement these laws. The Bureau will be holding Stakeholder meetings in late May or early June all around the State. Notice of these meetings will be sent to every tank owner with their annual tank fee invoice. Ms. Pruett anticipates this will be a year long process to get all the changes in place.

Ms. Pruett continued with an update on Operator Training. The Bureau's first deadline for training is July 1, 2010 for owners of thirteen or more facilities in New Mexico. The Bureau is pleased with the turn out of people that are attending Operator Training not just the larger facilities but smaller ones as well. The Bureau has approved some online courses for Class C Operators, and also an In-house Class C online course for one company. All information is on the web page under the Operator Training link. Ms. Pruett stated that the EPA is recognizing the Program as a National Model.

Invoicing and Tank Fees: On Accounts Receivable for FY2010, the Program has collected 84%, 9% is error, with 7% remaining. Ms. Pruett stated the economy has really affected the Facilities, and the Program has seen more temporarily closed or abandoned facilities. Delinquent tank collections: the Program has now completed 318 cases, with 15% collectible and 85% uncollectible.

Ms. Pruett was recently appointed to be the Region 6 ASTSWMO UST Task Force representative.

Item # 8 OTHER BUSINESS

Item # 9 NEXT MEETING

The next meeting is scheduled for June 11, 2010.

Item #10 ADJOURNMENT

Mr. Pynes moved to adjourn the Meeting. Mr. Baca seconded. The motion passed unanimously.

The meeting adjourned at approximately 11:44 a.m.



Mr. Jim Norton, Chairman

Minutes prepared by: Trina Page